



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JAN 24 2007

REPLY TO THE ATTENTION OF:

AE-17J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Steven J. Smith
Chief Executive Officer
Journal Communications, Inc.
333 W. State Street
Milwaukee, Wisconsin 53203

Re: Finding of Violation/Notice of Violation
Northstar Print Group, Inc.
Norway, Michigan

Dear Mr. Smith:

This is to advise you that the United States Environmental Protection Agency ("U.S. EPA") has determined that your former subsidiary, Northstar Print Group, Inc., ("Northstar") located at 512 Ninth Avenue, Norway, Michigan (the "Facility"), violated the Clean Air Act ("CAA") and associated state air pollution control requirements. A list of the requirements violated is provided below. We are today issuing to you a Finding of Violation and Notice of Violation ("FOV/NOV") for those violations.

The CAA requires the development of Primary and Secondary National Ambient Air Quality Standards to protect public health and welfare. To attain and maintain these standards, each state is required to develop an implementation plan. Michigan's State Implementation Plan ("Michigan SIP") includes the following requirements:

1- Permit to Install regulation, Rule 201. This Rule states that a person shall not install, construct, reconstruct, relocate or alter any process, which may be a source of air contaminants, until a permit is issued by the commission. The purpose of this rule is to ensure that air emission sources that are constructed, reconstructed or relocated, are equipped with

sufficient pollution control systems to reduce emissions and help protect the public from unhealthy exposures to various air emissions that contribute to respiratory problems, lung damage and premature deaths.

2- Rules 910 and 911 require that air cleaning devices shall be installed, maintained and operated in such a manner so as to maximize reduction of air pollutants from processes on a continuous and reliable basis and to prevent, detect and correct equipment failure resulting in emissions exceeding any applicable emission limitation. The requirements of the above Rules are incorporated into Northstar's Renewable Operating Permit ("ROP", "Title V Permit") #199600156.

Furthermore, Section 112(b) of the Act established a list of hazardous air pollutants ("HAPs") and provided that U.S. EPA shall add to the list additional pollutants that may present a threat of adverse human health effects through inhalation or other routes of exposure. Section 112(d) provides that U.S. EPA shall promulgate regulations establishing emission standards for each category or subcategory of major sources and area sources of listed HAPs.

National emission standards for hazardous air pollutants ("NESHAP") for chromium electroplating, 40 C.F.R. Subpart N, and NESHAP for printing and publishing industries, 40 C.F.R. Subpart KK, were promulgated on January 25, 1995 and May 30, 1996, respectively. These standards are applicable to Northstar and were also incorporated in the Facility's Title V Permit. The purpose of these standards is to reduce, on a national scale, emission of chemicals that possess carcinogenic or toxic characteristics.

U.S. EPA finds that the Northstar Facility violated the above listed Michigan SIP and NESHAP requirements as incorporated into the Facility's Title V Permit Number 199600156. Since Northstar violated its Title V permit, you have also violated Section 502 of the Act and its associated regulations which require compliance with the terms and conditions of Title V permits.

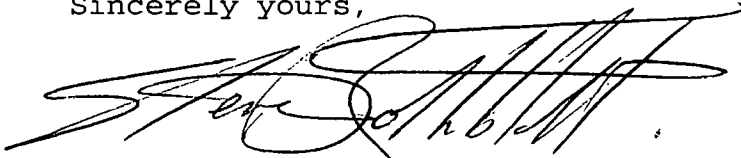
Section 113 of the CAA gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order,

bringing a judicial civil action, and bringing a judicial criminal action. .

Before we decide which enforcement option is appropriate, Section 113 of the CAA provides you with the opportunity to request a conference with us to discuss the violations alleged in the FOV/NOV. You may have an attorney present at this conference.

The U.S. EPA contact in this matter is Farro Assadi. You may call him at (312) 886-1424 if you wish to request a conference.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Stephen Rothblatt", with a stylized flourish at the end.

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

CC: Thomas Hess, Enforcement Unit Chief
Michigan Department of Environmental Quality
Air Quality Division
P.O. Box 30260
Lansing, Michigan 48909-7760

Brian Brady, Supervisor
Upper Peninsula District Office
420 5th Street
Gwinn, Michigan 49841

**United States Environmental Protection Agency
Region 5**

IN THE MATTER OF:)
)
Journal Communications, Inc.) **FINDING OF VIOLATION AND**
and) **NOTICE OF VIOLATION**
Northstar Print Group, Inc.)
Norway, Michigan) **EPA-5-07-MI-05**
)
)
)
Proceedings Pursuant to)
the Clean Air Act,
42 U.S.C. §§ 7401 et seq.

FINDING OF VIOLATION AND NOTICE OF VIOLATION

Northstar Print Group, Inc., a subsidiary of Journal Communications, Inc. ("you" or "Northstar") owned and operated three rotogravure presses used to print packaging and labeling materials and a chrome plating tank installed in 1994 to chrome plate copper based gravure cylinders at the facility located at 512 Ninth Avenue, Norway, Michigan (the "Facility"). The presses are identified as press lines 5, 6 and 7.

U.S. EPA is sending this Finding of Violation and Notice of Violation ("FOV/NOV" or "Notice") to you for violations of the Renewable Operating Permit ("ROP") issued under the Title V permit program, Michigan State Implementation Plan ("SIP") and requirements of the National Emission Standards for Hazardous Air Pollutants ("NESHAP") Subparts N and KK. The underlying statutory and regulatory requirements include provisions of the Clean Air Act (the "Act" or "CAA"), its implementing regulations and the Michigan SIP. These violations occurred during the period when Northstar was the owner and the operator of the Facility and continued until the sale of the Facility to Multi-Color Corporation on January 25, 2005.

Section 113 of the Act provides you with the opportunity to request a conference with us to discuss the violations alleged in the FOV/NOV. This conference will provide you a chance to present information about the identified violations and any efforts you had taken to comply. You may have an attorney present at this conference.

Explanation of Violations

1. The permit, permit conditions and regulatory requirements relevant to this FOV/NOV are as follows:

- a. Michigan Department of Environmental Quality ("MDEQ") issued the Renewable Operating Permit #199600156 ("ROP", "Title V Permit") to the Facility on May 15, 2001. The ROP contains the following requirements applicable to the Facility's printing presses:

- i. Table E-1.3.III.3 of the ROP requires that permittee shall monitor and record water pressure differential between the Permanent Total Enclosure ("PTE") at the rotogravure press line 7 and outdoor atmosphere on a continuous basis.

- ii. Tables E-1.3.V and F-1.1.V of the ROP state that permittee shall not operate the rotogravure printing lines 5, 6 and 7 unless the PTE is operating properly.

- iii. Tables E-1.3.III.3 and F-1.1.III.3 of the ROP require that permittee include solvent cleaning fugitive emissions for Press Lines 5, 6, and 7 in monthly press emission calculations.

- iv. Tables E-1.3.V and F-1.1.V require that the regenerative thermal oxidizers shall each achieve 97 percent destruction efficiency and 100 percent capture efficiency.

- v. Tables E-1.3.VI and F-1.1.VI require that permittee shall implement and maintain an acceptable malfunction abatement plan for the thermal incinerators, including capture hoods and exhaust systems from the No. 5, 6 and 7 press lines.

- b. The Michigan SIP regulations applicable to the Facility include the following:

- i. R336.1201 ("Rule 201"): This Rule was approved by U.S. EPA as part of the federally enforceable SIP for Michigan on May 6, 1980, at 45 FR 29790. Rule 201

states that a person shall not construct, reconstruct, relocate, or alter any process, fuel-burning, or refuse-burning equipment, or control equipment pertaining thereto, which may be a source of an air contaminant, until a permit is issued by the commission.

ii. R336.1910 ("Rule 910"): This Rule was approved by U.S. EPA as part of the federally enforceable SIP for Michigan on May 6, 1980, at 45 FR 29790. Rule 910 states that an air cleaning device shall be installed, maintained, and operated in accordance with the rules and existing laws.

iii. R336.1911 ("Rule 911"): This Rule was approved by U.S. EPA as part of the federally enforceable SIP for Michigan on May 6, 1980, at 45 FR 29790. Rule 911 states that upon request of the commission, a person responsible for operation of a source of an air contaminant shall prepare a malfunction abatement plan to prevent, detect and correct malfunctions or equipment failures resulting in emissions exceeding any applicable emission limitation.

c. On January 25, 1995, in accordance with section 112(d) of the Act, U.S. EPA promulgated the National Emission Standards for Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks at 40 C.F.R. Part 63, Subpart N, §§ 63.340-63.348 ("Subpart N"). Under the provisions of § 63.343(a)(ii) and § 63.6(b)(1), affected sources such as Northstar were required to comply with the standards of Subpart N no later than January 25, 1995.

Subpart N includes the following requirements:

i. 40 C.F.R. § 63.343(c): This standard states that the owner or operator of an affected source shall document an operating parameter for the chrome plating tank composite mesh-pad scrubber during the initial performance test on the scrubber.

ii. 40 C.F.R. § 63.343(c)(1)(ii): This standard states that the owner or operator of an affected source shall monitor and record the pressure drop across the

composite mesh-pad system once each day that any affected source is operating. To be in compliance with the standards, the composite mesh-pad system shall be operated within ± 1 inch of water column of the pressure drop value established during the initial performance test.

d. On May 30, 1996, in accordance with section 112(d) of the Act, U.S. EPA promulgated the National Emission Standards for the Printing and Publishing Industry, 40 C.F.R. Part 63, Subpart KK, §§ 63.820-63.831 ("Subpart KK"). Under § 63.826(a) Northstar was required to comply with the standards of Subpart KK no later than May 30, 1999.

Subpart KK includes the following standards:

i. 40 C.F.R. § 63.825: This standard requires that all solvent cleaning emissions be included in monthly emission calculations for the press lines.

ii. 40 C.F.R. § 63.825(d)(1): This standard requires that each owner or operator using an oxidizer to control emissions shall demonstrate initial compliance through performance tests of capture efficiency and control device control efficiency.

iii. 40 C.F.R. § 63.825(d)(1) and § 63.828(a)(5) require that each owner or operator complying with the emission standards of §§ 63.824-63.825 by using a control device and a capture efficiency shall establish and monitor a capture system operating parameter during initial performance test.

e. NESHAP General Provisions at 40 C.F.R. Part 63, Subpart A, § 63.6(e)(3), require that the owner or operator of an affected source must develop and implement a written startup, shutdown, and malfunction plan.

2. Based on the available information, U.S. EPA has determined that while under the ownership of Northstar Print Group, Inc., the Facility violated the regulations mentioned above, as follows:

- i. The Facility failed to record, for press line 7, water pressure differential between the Permanent Total Enclosure ("PTE") and outdoor atmosphere on a continuous basis, in violation of the ROP Table E-1.3.III.3;
- ii. The Facility failed to maintain PTE for Press Lines 6 and 7 in violation of the ROP Table E-1.3.V., Table F-1.1.V., and SIP Rule 910;
- iii. The Facility failed to include solvent cleaning fugitive emissions for Press Lines 5, 6, and 7 in monthly press emission calculations violating the ROP Table E-1.3.III.3, Table F-1.1.III.3 and 40 C.F.R. Part 63, Subpart KK, § 63.825;
- iv. The Facility failed to control VOC emissions from solvent cleaning (makeready activities) on Press Lines 6 and 7, in violation of the ROP Table E-1.3.V and Table F-1.1.V;
- v. The Facility failed to provide PTE for Press Line 5, in violation of the ROP Table F-1.1.V, and Rule 910;
- vi. The Facility failed to maintain an acceptable malfunction abatement plan for the thermal incinerators, in violation of the ROP Table E-1.3.VI, Table F-1.1.VI and Rule 911;
- vii. The Facility failed to obtain a permit to install for solvent cleaning of printing press parts, in violation of the SIP Rule 201;
- viii. The Facility failed to document an operating parameter for the chrome plating tank composite mesh-pad scrubber during the initial performance test on the scrubber, in violation of 40 C.F.R. Part 63, Subpart N, § 63.343.(c);
- ix. The Facility failed to determine if pressure drop across composite mesh-pad scrubber is maintained within ± 1 inch of value established during initial performance test, in violation of 40 C.F.R. Part 63, Subpart N, § 63.343.(c)(1)(ii);

x. The Facility failed to complete an initial performance test on the incinerators, in violation of 40 C.F.R. Part 63, Subpart KK, § 63.825(d)(1);

xi. The Facility failed to establish and monitor a capture system operating parameter for Press Line 5 during initial performance test, in violation of 40 C.F.R. Part 63, Subpart KK, §§ 63.825(d)(1) and 63.828(a)(5);

xii. The Facility failed to develop and implement a Startup, Shutdown and Malfunction plan, in violation of 40 C.F.R. Part 63, Subpart A, § 63.6(e)(3).

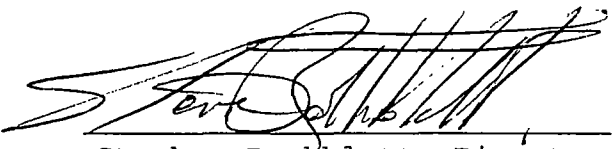
Environmental Impact of Violations

3. Violation of the SIP Standards increases public exposure to unhealthy levels of air pollutants including VOC which contribute to respiratory problems, lung damage and premature deaths.

4. Violations of the NESHAP Subpart N could increase public exposure to unhealthy levels of chromium compounds. Chronic exposure to chromium compounds could cause a variety of health affects including shortness of breath, coughing, wheezing, perforations and ulcerations of the septum, bronchitis, decreased pulmonary function, pneumonia, and other respiratory effects. Human studies have established that inhaled hexavalent chromium is a human carcinogen, resulting in an increased risk of lung cancer.

5. Violations of the NESHAP Subpart KK could increase emissions of a number of air toxics, including toluene, xylene, methanol, and hexane. Exposure to these and other air toxics associated with rotogravure and flexographic printing can cause adverse health effects, including eye, nose, throat, and skin irritation; as well as damage to the heart, liver, kidneys, and blood cells.

1/24/2007
Date


Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent a Notice and Finding of Violation, No. EPA-5-07-MI-05, by Certified Mail, Return Receipt Requested, to:

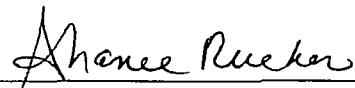
Mr. Steven Smith, Chief Executive Officer
Journal Communications, Inc.
333 W. State Street
Milwaukee, WI. 53203

I also certify that I sent copies of the Finding of Violation and Notice of Violation by first class mail to:

Mr. Thomas Hess, Enforcement Unit Chief
Michigan Department of Environmental Quality
Air Quality Division
P.O. Box 30260
Lansing, Michigan 48909-7760

Mr. Brian Brady, Supervisor
Upper Peninsula District Office
420 5th Street
Gwinn, Michigan 49841

on the 26th day of January, 2007.


Shanee Rucker, Secretary
AECAS (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 70010320000601989192

standard bcc's: official file copy w/attachment(s)

other bcc's: Alan Walts, C-14J

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